

News Release



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U.S. Labor Department Restores \$46,777 To Illinois Retirement Plans

CHICAGO--The U.S. Department of Labor has obtained a consent order and judgment against Elmhurst-based Current Development Corporation (CDC) and its president, who have restored \$46,777 to the company's profit sharing and money purchase plans as restitution for misusing plan assets to pay the company's legal fees.

The Nov. 4 judgment also orders the company to terminate the plans and notify participants about their distribution rights after the plans are terminated.

Assets of the plan were used to pay the legal fees of CDC to defend itself against a lawsuit filed with an administrative law judge on behalf of the department's Employee Benefits Security Administration (EBSA). The ALJ suit alleged that the company failed to file annual reports required by the Employee Retirement Income Security Act (ERISA).

On March 12, 2003, the department separately sued CDC and its president, George P. Klein, Jr., for failing to return the plans' assets used to pay CDC's legal fees. Klein was the plans' trustee.

According to the latest financial information available, the plans had 58 participants and \$2,467,006 in assets.

Kenneth Bazar, director of the department's Chicago regional office of EBSA, which investigated the case, said, "We took this additional step to ensure that the participants received the plan money that was promised to them."

Employers and workers can contact the Chicago regional office at (312) 353-0900 or through EBSA's toll free number, **1-866-444-EBSA (3272)**, for help with any problems relating to private-sector pension and health plans.

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(Chao v. Current Development Corporation)
Civil Action No. CV-03C-1792